OPIUM (HONG KONG)

RETURN to an Address of the Honourable The House of Commons, dated 8 August 1859;—*for*,

"COPIES of the ORDINANCE (No. 2, of 1858) passed by the *Hong Kong* Legislative Council, 'for Licensing and Regulating the Sale of PREPARED OPIUM,' specifying the Date of its Confirmation by Her Majesty's Government:"

"Of the GRANTS thereunder made of the sole Privilege of preparing OPIUM and selling the same within *Hong Kong*:"

"Of the REPORT and MINUTES of a Committee of the said Council upon certain Circumstances connected with the First Grant of such Privilege, and the Minute of Council adopting such Report:"

"And, of all CORRESPONDENCE relating to the Matters aforesaid."

Colonial Office,
2 February 1860.

C. FORTESCUE.

(*Mr. Kinnaird.*)

Ordered, by The House of Commons, *to be Printed,*
3 *February* 1860.

COPIES of the ORDINANCE (No. 2, of 1858) passed by the Hong Kong Legislative Council, "for Licensing and Regulating the Sale of PREPARED OPIUM," specifying the Date of its Confirmation by Her Majesty's Government:—Of the GRANTS thereunder made of the sole Privilege of preparing Opium, and selling the same within Hong Kong:—Of the REPORT and MINUTES of a Committee of the said Council upon certain Circumstances connected with the first Grant of such Privilege, and the Minute of Council adopting such Report:—And, of all CORRESPONDENCE relating to the Matters aforesaid.

HONG KONG.

ANNO VICESIMO PRIMO VICTORIÆ REGINÆ.

No. 2, of 1858.

BY His Excellency Sir John Bowring, Knight, LL.D., Governor and Commander in Chief of the Colony of Hong Kong and its Dependencies, and Vice Admiral of the same, Her Majesty's Plenipotentiary and Chief Superintendent of the trade of British Subjects in China, with the advice of the Legislative Council of Hong Kong.

Title. An Ordinance for Licensing and Regulating the Sale of prepared Opium.*

17 March 1858.

Preamble. BE it enacted and ordained by his Excellency the Governor of Hong Kong, with the advice of the Legislative Council thereof, as follows:—

Repeal of Ordinance No. 3, of 1845, and of parts of Ordinances Nos. 5, of 1845, and 4, of 1853.

I. The whole of Ordinance No. 3, of 1845, and also so much of Ordinances No. 5, of 1845, and No. 4, of 1853, as relate to smoking divans, or to opium, bhaang, ganja, paun, betel, or betel leaf, and all regulations of the Governor in Council, in anywise relating to the premises or any of them, are hereby repealed.

The opium privilege to be sold to the highest bidder, if the Governor in Council think fit.

II. His Excellency the Governor in Council may grant unto any persons, for such considerations, and upon such conditions, and for such terms or periods, and in such form as from time to time shall be by his said Excellency in Council regulated and determined, and also previously notified to the public in the "Hong Kong Government Gazette," the sole privilege of boiling and preparing opium, and of selling and retailing within the said colony, or the waters thereof, opium so boiled or prepared. And such privilege may from time to time be granted to the highest bidder, to be ascertained either by public auction or by tender, to be made in pursuance of notice to be published in the said Gazette to that effect: but every such bidder shall, before he is declared the purchaser of the said privilege, give bond, with sureties, in the sum of ten thousand current dollars at the least, to the satisfaction of his said Excellency in Council, for the due performance of the conditions of the said privilege, and of his stipulations in respect thereof.

Who may grant licenses.

III. The person, if any, actually holding any such privilege, or in default of any such person, his Excellency in Council, is hereby empowered to grant licenses to all proper persons, authorising them to boil and prepare opium, and to sell and retail opium so boiled and prepared; but such licenses shall be granted subject to such conditions as shall from time to time be by his said Excellency in Council regulated and previously notified in manner aforesaid.

Default in payment and resale.

IV. If the consideration-money for any such privilege, or any instalment thereof, be not paid within one month next after the day appointed for the payment

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* This Ordinance was confirmed by Sir E. B. Lytton's Despatch, No. 21, of the 21st July 1858, *Vide* p. 12.

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on 29 March, 2019

payment thereof, the said privilege shall become and be absolutely null and void; and, over and above all other such liabilities as are hereinbefore or hereinafter created, the person making default in such payment shall thereupon become and be liable to make good to the Government, all losses or expenses incurred by, or by reason of such default, or any resale or regrant of such privilege, which his said Excellency in Council may thereupon make, and to make which he is hereby authorised.

Other dealings forbidden.

V. From henceforward, no person not holding any such privilege or license, or save as he may be by such privilege or license in that behalf authorised, shall, within this colony or the waters thereof, boil or in any way prepare opium, or sell, retail, or offer or expose for sale or retail, any boiled or prepared opium; yet so that no medical practitioner, chemist or druggist, not being a Chinaman, or (being such) not having an European or American diploma, shall be prevented from preparing or selling opium *bonâ fide* for medicinal purposes, the burthen of proof whereof shall be upon any person alleging the same in his defence.

Persons employed in the public service disqualified.

VI. Persons employed in any department of the public service and their families, and persons in the employment of them or of any of them, are disqualified from becoming or being in any way possessed of, or directly or indirectly interested in, any privilege or license under this ordinance, or the profits thereof, whether at law or in equity, and whether in their own right respectively, or in the right of another; and from suing for or in respect of or in any way enforcing the same.

Certificate of sale to be given to purchaser.

VII. It shall be the duty of every person selling or retailing prepared opium under this ordinance, to deliver therewith a sealed certificate, specifying the amount so sold; which certificate shall be evidence of the facts therein stated, and shall not be transferable.

Prohibition in other cases.

VIII. No person shall bring into this colony, or the waters thereof, or (except in cases to which section seven applies) have in his possession or custody within the same, any prepared opium.

Power to issue search warrants upon lawful evidence of facts.

IX. Upon lawful evidence being first given to the reasonable satisfaction of a stipendiary magistrate or the superintendent of police (duly constituted under Ordinance No. 12, of 1844), that any person within this colony or the waters thereof, hath in his possession or custody any opium contrary to section eight, or any opium prepared, sold or retailed, contrary to this ordinance, it shall be lawful for the said magistrate or superintendent to issue a search warrant in that behalf; and under such warrant any member of the police force may enter any tenement, place or vessel, within this colony or the waters thereof, and search for, and (if found) seize and hold, subject to the order of the court hereinafter mentioned, any prepared opium, within such tenement, place or vessel, and whereof no satisfactory explanation shall have been given by the person aforesaid.

Regulations to be consistent with this ordinance.

X. No regulations to be made under sections two and three shall be contrary to this ordinance, or inconsistent therewith.

Nuisances.

XI. The laws relating to nuisances, trespasses and other torts, shall not be affected by this ordinance.

Penalties may be awarded by his Excellency in Council for breach of regulations, and all proceedings under the same or this Ordinance to be summary.

XII. For the breach of any of the regulations to be so made and notified as in sections two and three mentioned, his said Excellency in Council is further empowered from time to time, to award and notify in the said Gazette all such penalties as shall be deemed reasonable, which penalties, when incurred, may be recovered and levied in manner and form provided by any ordinance, for the time being in force, for regulating summary proceedings for penalties before the court of petty sessions in this colony; and likewise all violations or disobediences of, or defaults in compliance with, the provisions of this ordinance, or of any regulations made under the powers hereby created or conferred, shall be heard and determined summarily in the like manner.

Penalties under this ordinance.

XIII. For every offence against the provisions of this ordinance, not otherwise provided for by any regulations to be made and notified in manner aforesaid by his said Excellency in Council, and actually in force, there shall be

recovered and levied in manner aforesaid from, or imposed on, the offender in that behalf, the penalties following, that is to say:

For every first offence, a fine not exceeding 250 current dollars; or imprisonment for a term not exceeding three months, nor less than one day.

And for every subsequent offence, a fine not exceeding 500 current dollars; or imprisonment for a term not exceeding six months.

Informer to be paid one-half of the pecuniary penalty.

XIV. If any charge or complaint shall be preferred under this ordinance, or under any of the said regulations, by a person holding any such privilege or license as aforesaid, and upon the said charge or complaint the defendant thereto shall be convicted, one-half of the pecuniary penalty (if any) imposed upon the defendant by the court, shall be awarded and paid to the person preferring such charge or complaint;—And likewise (if the said charge or complaint were for any offence under section eight), the whole of the prepared opium to which the same related shall be forfeited, and by the said court adjudged and delivered to the person aforesaid.

Penalties for false charges.

XV. In dismissing any charge or complaint under this ordinance, on the ground of the same being false, or frivolous and vexatious, it shall be the duty of the court to impose upon the person bringing the same, any penalty not exceeding or other than the penalty which the defendant, if convicted upon such charge or complaint, would have incurred; over and above all penalties (if any) which the said person may have likewise incurred in respect of his said charge or complaint, or of his evidence in support thereof, under Ordinance No. 7, of 1857, sections six and seven.

Penalties for improper issuing, execution, &c., of search warrants.

XVI. Over and above all other liabilities or penalties to which by this ordinance or any other law any person shall become or be subject in respect of his suing out, obtaining, issuing or executing improperly, and without sufficient cause, any search warrant under this ordinance, the said person shall be further liable to the penalties specified in section thirteen, to be enforced and levied as hereinbefore provided.

John Bowring.

Passed the Legislative Council of Hong Kong,
this 17th day of March 1858.

L. D'Almada e Castro, Clerk of Councils.

By His Excellency the Governor of *Hong Kong*, with the advice of the Executive Council thereof.

OPIUM PRIVILEGE REGULATIONS, made in pursuance of Ordinance No. 2, of 1858.

1. THE bond to be given under section two of the said ordinance, shall be in such form as is approved by the Governor in Council.

2. The yearly amount payable by way of consideration money for the privilege mentioned in the same section, shall be payable in current dollars, in equal and monthly instalments at the treasury; and every instalment shall be due and payable one month in advance, the first instalment to be payable on the 31st day of March 1858.

3. In case of the non-payment of any one of the said instalments upon the day when the same hath become due and payable as aforesaid, the colonial treasurer shall on the next following day certify under his hand to the colonial secretary to that effect, which certificate shall have the force and effect of lawful evidence of the said fact; and thereupon the person making the supposed default in payment of the said instalment shall, unless he can show by counter-proof that no such default was in fact made, be deemed to be a person not duly qualified under section two aforesaid.

4. Every person selling prepared opium under the said ordinance, must paint or cause to be painted, in letters at least three inches long, on some conspicuous part of his house, and so as that the same may be constantly

and

and permanently remaining there, and plainly to be seen and read there, his own name, with the words "Licensed to sell prepared Opium" superadded thereto.

5. Every such person shall be liable to pay the consideration-money for his licence to the person granting the same by monthly payments, each being one month in advance; and if any such payment shall be in arrear one day after the same hath become due, the person so in default shall be deemed to be a person not duly qualified under section three of the said Ordinance.

6. No privilege or licence granted under the said Ordinance shall be deemed to be infringed merely by reason of the preparing of samples of opium, by any wholesale sellers or buyers, not being Chinese, of the opium to which such samples belong, *bonâ fide* for the purpose of testing or examining the quality of the raw opium, with a view to the sale or purchase thereof.

7. For every breach of regulation four, the penalty shall be a sum not exceeding one hundred current dollars.

L. D'Almada e Castro,
Clerk of Councils.

Council Room, Victoria, Hong Kong,
20 March 1858.

EXTRACT from "Hong Kong Government Gazette" of the 22d May 1858.

By His Excellency the Governor of Hong Kong, with the advice of the Executive Council thereof:

FORM of GRANT of OPIUM PRIVILEGE, as regulated and determined in pursuance of Ordinance No. 2 of 1858, Section 2.

"To all to whom these presents shall come, I, Sir John Bowring, Knight, LL.D., Governor and Commander in Chief of the Colony of Hong Kong and its Dependencies, and Vice Admiral of the same, in Executive Council assembled, send greeting:

"Whereas [here insert recitals according to the facts of each case]."

"Know ye therefore that, in consideration of the premises, and in pursuance of the said Ordinance and conditions, I, the said Governor, by and with the advice of the said Executive Council, have given and granted, and by these presents under the seal of the said Colony for myself and my successors in the government of the same, do give and grant, unto the said A. B., his executors, administrators, and assigns, the sole and special privilege of boiling and preparing opium, and of selling and retailing within the said Colony and the waters thereof, opium so boiled or prepared, for and during the term hereinafter expressed, in conformity with and subject to the said Ordinance in that behalf provided, and to the said conditions so notified as aforesaid, in pursuance of the same and to these presents; and so as that he, the said A. B., his executors, administrators, and assigns, shall and lawfully may have and enjoy the whole profit, benefit, commodity, and advantage, from time to time during the said term, coming, growing, accruing, and arising by reason of the said privilege, To have, hold, use, exercise and enjoy, the premises hereby granted, with the power to grant licences, and all other powers incident to the said privilege; and all benefit and advantage of the said Ordinance and conditions, or any of them, unto the said A. B, for and during and unto the full end and term of one whole year, commencing with the day of and ending with the day of which will be in the year of our Lord : Provided always, and these presents are upon this express condition, that if, at any time during the said term hereby granted, the said A. B., his executors, administrators, or assigns, shall not upon his or their part or behalf pay the said monthly instalments, or any of them, or observe, perform, and keep, any of the provisions of these presents, or of the said Ordinance, or the said conditions or any of them, or shall of his or their own proper authority add to or alter the said provisions and conditions respectively, or any of the same respectively, or attempt to make any such addition or alteration in that behalf; or, if these

presents are now, or at any time during the said term shall become, or be, contrary to law, then, and in any or either of the said cases, these presents shall forthwith cease, determine, and be utterly void, anything hereinbefore contained to the contrary thereof in any wise notwithstanding:

"In witness whereof, I, the said Governor, have set my hand and the seal of the said Colony to these presents, on the day of A.D. 1858, and in the twenty-first year of the Queen."

"(L.S.)"

"(signed) ."

(signed) *L. D'Almada e Castro,*
Clerk of Councils.

Council Room, Victoria, Hong Kong,
21 May 1858.

(No. 26.)

EXTRACTED from "Hong Kong Government Gazette," dated 23 March 1858.

GOVERNMENT NOTIFICATION.

IT is hereby notified, that the privilege for the sale of prepared opium has been granted by his Excellency the Governor in Council to Chun-tai-kwong, of the Man-cheong shop, for 12 months, from the 1st of April 1858.

By order,
(signed) *W. T. Bridges,*
Acting Colonial Secretary.

Colonial Secretary's Office,
Victoria, Hong Kong,
20 March 1858.

(No. 28.)

EXTRACT from "Hong Kong Government Gazette" of 27 March 1858.

GOVERNMENT NOTIFICATION.

THE privilege for the sale of prepared opium, granted on the 20th instant, has been annulled by his Excellency the Governor in Council; and his said Excellency in Council has this day been pleased to grant to Chun-tai-kwong, of the man-cheong shop, such privilege for the period of 12 months, commencing from the 1st of April 1858.

By order,
(signed) *W. T. Bridges,*
Acting Colonial Secretary.

Colonial Secretary's Office,
Victoria, Hong Kong,
25 March 1858.

(No. 23.)

EXTRACT from "Hong Kong Government Gazette" of 5 March 1859.

GOVERNMENT NOTIFICATION.

TENDERS will be received at this office up to noon of Monday, the 21st instant, for the privilege of preparing or selling prepared opium within this Colony, for one year, from the 1st April next, under conditions set forth in Ordinance No. 2 of 1858.

By order,
(signed) *W. T. Mercer,*
Colonial Secretary.

Colonial Secretary's Office,
Victoria, Hong Kong,
2 March 1859.

(No. 32.)

EXTRACT from "Hong Kong Government Gazette" of 26 March 1859.

GOVERNMENT NOTIFICATION.

WITH reference to Government Notification, No. 23, of the 2d instant, it is hereby made known, that his Excellency the Governor in Council has this day granted to Cheong Asun, manager of the foo-tai pawnbroker shop, No. 89, in Queen's-road, West, and Lum Ki, of the too-loong shop, No. 2776, in Bonham-strand, broker, the exclusive privilege of preparing and selling prepared opium within the Colony of Hong Kong, and the waters thereof, for the term of one year, commencing with the 1st day of April 1859, and ending with the 31st of March 1860.

The form of grant is as published in the "Hong Kong Government Gazette," No. 155, of 22 May 1858.

By order,
(signed) *W. T. Mercer,*
Colonial Secretary.

Colonial Secretary's Office,
Victoria, Hong Kong,
26 March 1859.

MINUTES and REPORT of the LEGISLATIVE COUNCIL.

READ a petition from Chun-tai-kwong to his Excellency the Governor in Legislative Council (received on the 28th instant), setting forth that he tendered for the opium privilege, in pursuance of Government Notification of 20th February last, and praying for sundry alterations in the Opium Ordinance, No. 2, of 1858, sections 8, 14, and 16.

Read a report of the 29th instant, from the Attorney General, advising to the effect that the Government has fulfilled all the conditions of the notification on the faith of which the petitioner tendered for the opium monopoly, and is not bound to grant the prayer of the petitioner.

It was thereupon moved by the Acting Colonial Secretary, and seconded by the Surveyor General,—"That his Excellency the Governor be requested to cause amendments to be made in the Opium Ordinance, 1858, with a view to granting such part of the petition of Chun-tai-kwong as to his Excellency seems reasonable." Debate ensued. The Governor desiring a specification of the alterations sought in the Ordinance,—The Acting Colonial Secretary, by leave, amended his motion, and seconded by the Surveyor General, moved,—"That his Excellency the Governor be requested to cause amendments to be made in the Opium Ordinance, 1858, with a view to granting such part of the petition of Chun-tai-kwong as to his Excellency seems reasonable, and especially with reference to two points:—1. To the possession of prepared opium within this Colony without a sealed certificate from the person selling or retailing the same. 2. To the forfeiture of all contraband opium." Debate ensued. The Governor put the question as amended, and the Council divided:

Ayes, 2.	Noes, 6.
Acting Colonial Secretary.	Mr. Dent.
Surveyor General.	Mr. Lyall.
	Mr. Jardine.
	Chief Magistrate.
	Attorney General.
	Chief Justice.

Question negatived by a majority of six to two.

The Chief Magistrate, chairman of the select committee appointed to inquire into the conduct of the Acting Colonial Secretary, as connected with the opium monopoly, brought up their report; and the same having been read, it was moved by the Surveyor General, and seconded by the Attorney General, "That the report be received and entered on the minutes, and that the report and evidence be printed in the 'Government Gazette.'" Question put and passed.

The report was as follows:

REPORT.

YOUR Committee considering that the words of the order of reference should be taken in their widest sense, and that the integrity of the Acting Colonial Secretary implies not merely ordinary honesty, but the wholeness and singleness of his character as Colonial Secretary, have inquired into his entire conduct in reference to all matters connected with the grant of the opium monopoly. Your Commitee have also allowed themselves as wide a range as possible in their method of inquiry. They advertised in the local papers the publicity of their proceedings, and invited and made use of suggestions from all sources as to the witnesses to be examined and the questions to be put to them. They permitted themselves great latitude in the kind of evidence which they admitted, and only struck out as inadmissible one question and its answer, and part of the answer to another question. They omitted to call only one witness suggested to them, as his evidence would not have referred to the matter under inquiry; and every person invited to give their information did so, with the exception of Mr. Hoey. His evidence would have been important, but he refused to attend, whence they conclude that he dared not deny before them having made these defamatory statements (though he has elsewhere denied having made them), which gave rise to the present inquiry.

Your Committee have now to report as the result of their proceedings, as follows:—

1. It appears that the tender of the present monopolist (Chun Tai-kwong), and those of two other persons, were not received by the Acting Colonial Secretary until the 14th March, the day after the last day for tendering; that Chun Tai-kwong's tender was the highest, and the reason given for the lateness of his tender being satisfactory to his Excellency, that it was accepted by him, with a full knowledge of the facts, on the 15th March; that two days after this, on the 17th March, the Opium Monopoly Ordinance passed the Legislative Council, on which day various changes highly favourable to the monopolist, and suggested by him or his partners to the Acting Colonial Secretary, were introduced into the Ordinance on the Acting Colonial Secretary's motion, but that this was done with the most perfect openness, the members of the Legislative Council being fully informed by Dr. Bridges of his reasons for proposing the alterations. It does not appear that any undue influence was used in obtaining the grant for the present monopolist, or that any corrupt motive existed for making these changes in the Ordinance; and there is not the slightest ground for believing that anything in the nature of a douceur was offered to, demanded by, or accepted by Dr. Bridges.

2. The above matters being the only ones connected with the grant of the opium monopoly, in which it has been suggested that the honesty or honour of the Acting Colonial Secretary could be involved, your Committee are clearly of opinion that the honesty and honour of Dr. Bridges, in reference to all proceedings connected with the grant of the opium monopoly, remain wholly unimpeached.

3. It further appears that, early on the morning of the 17th March, the day when the Ordinance passed, and when the alterations referred to were made in it, or of some subsequent day, the monopolist retained Dr. Bridges as his counsel; that on the 25th March, immediately after the monopolist had executed a bond to Government connected with the monopoly at the Government offices, Dr. Bridges called the Clerk of the Councils into the Colonial Secretary's room, that he might hear Dr. Bridges tell the monopolist that though he was his counsel he could not act for him against the Government; that the fee on the retainer was paid in the evening of the same day to Dr. Bridges at his house, and that the monopolist had ascertained some days previously from Dr. Bridges's comprador what the amount of the fee should be, but without the knowledge or sanction of Dr. Bridges; that when Dr. Bridges accepted the office of Acting Colonial Secretary in February 1857, it was on an express understanding with the Governor that he should be allowed to practise as a barrister, and that his time should be his own; and that it did not occur to Dr. Bridges at the time he accepted the retainer from the monopolist, that there

there might on future and various occasions be questions connected with the opium monopoly in which his duty to the Government as a member of the Executive Council would seriously clash with his duty as counsel to the monopolist. It further appeared to your Committee, though the monopolist now denies it, and the evidence is conflicting, that the monopolist did say to Mr. Hoey, "Dr. Bridges is a very clever man; he can do what he likes with the Governor, and can make a law and tear it to pieces again the next day."

4. These proceedings, in the opinion of your Committee, show the want of a due appreciation by Dr. Bridges of the demands of his high and important offices as Acting Colonial Secretary, member of the Legislative Council, and member of the Executive Council, and denote an absence of that proper sensitiveness which should have made him, above all other persons, foresee and avoid all positions of possible conflict between his public and private duties, which, in the case of the opium monopoly, were sufficiently obvious.

That Dr. Bridges should hold the offices mentioned, and at the same time retain the privilege of practising as a barrister, however undesirable a state of things, is one for which he cannot be blamed; but the limits within which he would avail himself of this privilege were under his own control. He fixed the limit that he would not act against the Government, and the place in which he informed his client of this fact was most unhappily chosen. Further, he should have seen that any one, more particularly a Chinaman, must think that he would greatly gain by employing as his counsel a high officer of Government, through whose means changes so beneficial to himself had been made at the last moment in a public Ordinance, and that the monopolist and the Chinese community generally would conclude, however erroneously, that the official so retained, and the Government of which he was a member, were open to private influence. That such must be the effect of Dr. Bridges's conduct on the minds of the Chinese there cannot be any doubt. Viewed in this light, therefore, your Committee regret to say, that they consider Dr. Bridges's conduct in reference to the opium grant blameable, though, as they have before stated, they consider his honesty and honour quite unimpeached.

H. Tudor Davies, Chairman.
John Dent.

Council Chamber, 31 May 1858.

Pursuant to notice, it was moved by Mr. Lyall, and seconded by Mr. Jardine, "That his Excellency the Governor be requested to instruct the Attorney General to prepare an Ordinance in accordance with the spirit of the memorial addressed by the community to the Attorney General, dated the 10th instant." Question put and passed. The Council adjourned till Thursday, the 10th June, at 12 o'clock.

By order of his Excellency the Governor,
L. D'Almada e Castro, Clerk of Councils.

COPY of a DESPATCH from Governor Sir *John Bowring* to the Right Honourable *Henry Labouchere*, M. P.

(No. 32.) Government Offices, Victoria, Hong Kong, 23 March 1858.
(Received, 21 May 1858.—Answered, No. 21, 21 July 1858, p. 11.)

Sir,

IT had for some time been a subject of regret to me to observe how trifling was the revenue derived from opium in this Colony; and especially considering the enormous amount realised in the Straits' Settlements from this source, and that opium has been most justly deemed an article pre-eminently suited for taxation, and has been so considered by Her Majesty's Government, I consequently directed an Ordinance to be prepared on this subject.

In the years 1845 and 1846 a system prevailed here similar to that existing in the Straits' Settlements, viz., subject to certain limitations as to quantity, a monopoly was created of raw and prepared opium, and the revenue produced

in the latter of those two years, when our population was scarcely a fourth of its present number, was 4,118 *l.* In 1847 the monopoly system was abandoned upon grounds, of which no official records remain satisfactorily accounting for the change, and in its lieu was substituted an issue of yearly licences. The change proved most detrimental to the revenues of the Colony, and its consequences are best exhibited in the average amount produced during the last ten years, which has been 1,860 *l.* per annum, with a Chinese population now exceeding 70,000. After carefully weighing, during many months, the relative advantages and disadvantages likely to arise from a return to the system of monopoly, and after having sought advice in every possible quarter, both by personal intercourse and correspondence, I finally determined to ask the concurrence of the Legislative Council in a measure by which the sale of raw opium would be altogether freed from fiscal interference, and that of prepared opium, or opium used for smoking, become a strict monopoly throughout this island, its waters, and dependencies. I also proposed to emancipate tobacco and snuff from the restrictions hitherto imposed upon their sale.

Vide p. 2. After several lengthened discussions in the Legislative Council, the Ordinance, which I have the honour to forward herewith for submission to Her most Gracious Majesty, passed without a dissenting vote, and I therefore trust that it may be confirmed.

It being deemed advisable that tenders should be invited by public advertisement from parties desiring to take up the opium contract, the necessary notifications were issued, and the result has certainly been exceedingly satisfactory.

I annex a list of the tenders. By the advice of the Executive Council, I determined to cause the highest tender, that of Chun-tai-Kwong, to be accepted, and the amount to be paid by him during the next twelve months, 7,075 *l.*, contrasts most favourably with that received during the whole of 1857, viz., 2,462 *l.*

Vide p. 4. I have also caused a copy of the regulations issued in conformity with the Ordinance to be forwarded herewith.

I have, &c.
(signed) *John Bowring.*

LIST of TENDERS for the Privilege of Selling Prepared Opium.

NAME.	Monthly Sum.	Annual Amount.
	$	$
Chuenlee & Co.*	2,830	33,960
Ling-Yeong	2,790	33,480
Wong-ting Yeok	2,700	32,400
Tai-foong	2,582	30,984
Foom-Ming	2,500	30,000
Quong-Nung	1,780	21,360
Chun-laong-Kee	1,760	21,120
Chun-sung	1,725	20,700
Hapkee	1,656	19,872
Wohang	1,350	16,200
Hengkee	1,256	15,072
Tek-tai-tsuen	1,180	14,160
Lee-yuen	1,160	13,920
Wing-fat	1,050	12,600
Sun-kee	1,000	12,000
Glatz	No amount specified.	

* Privilege granted to Chun-tai-Kwong, one of the partners, on behalf of the firm.

W. T. Bridges,
Acting Colonial Secretary.

Colonial Secretary's Office,
Victoria, Hong Kong, 23 March 1858.

COPY of a LETTER from *H. Merivale*, Esq., to Sir *F. Rogers*, Bart.

Sir, Downing-street, 25 May 1858.

I AM directed by the Secretary of State to transmit to you, in original, the accompanying transcript of an Ordinance passed by the Legislature of Hong Kong in the month of March last, together with the Despatch from the Governor, enclosing the same. No. 2, of 1858. Vide p. 2.

You will have the goodness to return the accompanying documents, with a report of your opinion as to the course which it would be proper to take upon the said Ordinance.

I have, &c.
(signed) *H. Merivale.*

COPY of a LETTER from Sir *F. Rogers*, Bart., to *H. Merivale*, Esq.

Sir, Emigration Office, 2 June 1858.

IN obedience to the Secretary of State's directions conveyed by your letter of the 25th ultimo, I have perused and considered the undermentioned Ordinance passed by the Legislature of Hong Kong in the month of March last, and I have to report to you my opinion that it should be referred to the Lords of the Treasury, as it affects the colonial revenue. No. 2, of 1858.

I have, &c.
(signed) *Frederic Rogers.*

COPY of a LETTER from *H. Merivale*, Esq., to Sir *C. Trevelyan*, K.C.B.

Sir, Downing-street, 15 June 1858.

I AM directed by Secretary Sir Edward Bulwer Lytton to transmit for the consideration of the Lords Commissioners of the Treasury, a copy of a Despatch from the Governor of Hong Kong, enclosing an Ordinance, No. 2, of 1858, "For licensing and regulating the sale of prepared Opium;" and I am to request you to move their Lordships to inform Sir E. Bulwer Lytton whether they entertain any objection to the confirmation of this Ordinance by Her Majesty. No. 32, 23 March, p. 9.

I have, &c.
(signed) *H. Merivale.*

COPY of a LETTER from Sir *C. Trevelyan*, K.C.B., to *H. Merivale*, Esq.

Sir, Treasury Chambers, 25 June 1858.

WITH reference to your letter of 15th instant, enclosing an Ordinance from Hong Kong, No. 2, of 1858, "For licensing and regulating the sale of prepared Opium," I am commanded by the Lords Commissioners of Her Majesty's Treasury to acquaint you that if Sir E. Bulwer Lytton considers it advisable that this Ordinance should be submitted to Her Majesty for confirmation, my Lords see no sufficient reason for objecting thereto.

I am, &c.
(signed) *C. E. Trevelyan.*

(No. 21.)

COPY of a DESPATCH from the Right Honourable Sir *E.B. Lytton*, Bart., M. P., to Governor Sir *John Bowring*.

Sir, Downing-street, 21 July 1858.

I HAVE received and laid before the Queen an Ordinance passed by yourself and the Legislative Council of Hong Kong, entitled, No. 2, of 1858, "An Ordinance for licensing and regulating the sale of prepared Opium," the transcript of which was enclosed in your Despatch, No. 32, of the 23d March.

I have received the Queen's commands to acquaint you that Her Majesty has been pleased to confirm and allow this Ordinance.

You will cause Her Majesty's decision to be signified to the inhabitants of Hong Kong by a Proclamation, to be published in the usual and most authentic manner.

I have, &c.

(signed) *E. B. Lytton.*

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Ms. Rowena T Robinson

on 29 March, 2019

COPIES of the ORDINANCE (No. 2, of 1858) passed by the *Hong Kong* Legislative Council, "for Licensing and Regulating the Sale of PREPARED OPIUM," specifying the Date of its Confirmation by Her Majesty's Government; of the GRANTS thereunder made of the sole Privilege of Preparing Opium and Selling the same within *Hong Kong*; of the REPORT and MINUTES of a Committee of the said Council upon certain Circumstances connected with the first Grant of such Privilege; &c.

(*Mr. Kinnaird.*)

Ordered, by The House of Commons, *to be Printed,*
3 *February* 1860.

Under 2 *oz.*